# 永捷創新科技股份有限公司

U-BEST INNOVATIVE TECHNOLOGY CO.,LTD.

Stock Code: 4714

General Manager
Huang Na-hao

# Disclaimer

This presentation summarizes and evaluates our company's past, present, and future operations based on both primary and objective factors at the time of the presentation. It includes forward-looking statements that are subject to risks, uncertainties, and assumptions, some of which may be beyond our control. Actual results may differ significantly from these forward-looking statements.

The provided information (including views on the future) is neither expressly nor implicitly stated or guaranteed to be accurate, complete, or reliable. It also does not represent a comprehensive discussion of the Company, industry conditions, or subsequent significant developments. The Company does not guarantee the accuracy of the data and is not responsible for updating or correcting the content of this presentation.

# 1.1 Company Overview- Basic Info

## Foundation

Aug. 29, 1991.

## Capital

NTD 1,772.9 million

## Business Items

Main Products

**Polyurethane Synthetic Resin**

We can provide customers with high-quality products and collaborate with them to develop their unique product requirements.

**Chairman : Chang Yu-Ming**

**General Manager: Huang Na-hao**

# 1.2 Company Overview—U-BEST's Strategic Layout

Year1992 → Year2013 → Year2017 → Year2018 → **Biodegradable PU Automotive Synthetic LeatherDefense-related Application Products**

## Core Business Philosophy

**Total Quality**

Management System & Real-time Customer Service Response Mechanism.
Mastering Material Know-how with Three Major Patent Advantages: Nanotubes, Nanoclay, and Light-transmissive Anti-fouling Coating Films.
Integrating the Upstream and Downstream to Leverage Cost Competitiveness.

## Mobile, Environmental Protection, Defense

**Year2018**

- Year2018 Development of Wear-resistant Coatin
- Year2018 Aqueous Breathable Resin & Treatme
- Year2018 High Anti-Explosion & Puncture-Resist
- Year2020 Non-Yellowing Fabrics & Substrates, B
- Year2022 Hydrophilic Water-based Treatment Ag

## Construction, Automotive, Others

**Year2017**

- Year2017 Development of Structural Adhesives & Sealants for Construction.
- Year2017 Development of High Waterproof and High Breathable Water-based Products.
- Year2018 Development of Crosslinking Agent Series Products.
- Year2019 Development of Eco-friendly Resin for Automotive Film.
- Year2020 Bask

## New Technology

**Year2013**

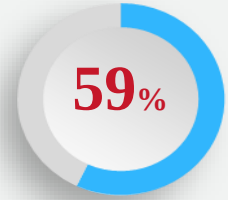
- Year2013 Presentation on the Synthesis and Application of Nano Polyurethane Composites.
- Year2013 Presentation on Nanotube Polymer Composites and Their Synthesis Methods.
- Year2013 Presentation on Organic-Inorganic Composite Materials and Their Manufacturing Methods.
- Year2018 Development of Wet Cure Reactive Hot Melt Adhesives and Thermoplastic Polyurethane Elastomer Series Products.
- Year2019 Developm Blanket Resin, Develo Resin.
- Year2021 Developm

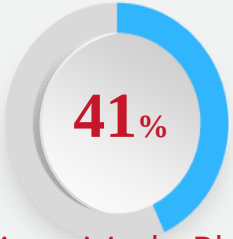
## 鞋類

**Year1992**

- Year1992 Presentation of Lany Suede & Nubuck Series Products, Launching a Full Range of Products that Meet the 'Green Label' Physical Property Stan
- Year1994 Presentation of Non-woven Fabric Series Products for Sports Footwear.
- Year1996 Presentation of Hydrolysis-Resistant and Waterproof Breathable Series Products for Sports Footwear and Nylon Materials.

# 1.2 Company Overview -Eternal Materials, 100% MIT, Made in Taiwan.




## Tainan Anding Headquarters
(Occupancy 7, 203㎡)

| | |
|---|---|
| 2024 Revenue Scale | 216,748 thousand NT dollars. |
| Primary Products | Polyurethane Resin (PU) |
| Monthly Production Capacity (22 Days) | 1,500 tons (7 Reactors) |

## Tainan Mado Plant
(Occupancy 21, 019㎡)

| | |
|---|---|
| 2024 Revenue Scale | 148,388thousand NT dollars. |
| Primary Products | Polyester Polyol(POLYOL) |
| Monthly Production Capacity (22 Days) | 1300tons (3Reactors) |

# 1.3 Company Overview-Vertical integration of upstream and midstream sectors, mastering core technologies and cost control advantages.

Upstream, midstream, and downstream petrochemical raw materials.

Upstream

midstream

downstream

Oil
Recycled materials

Polyurethane resin(PU)
Polyester polyol(POLYOL)
Thermoplastic polyurethane elastomer(TPU)

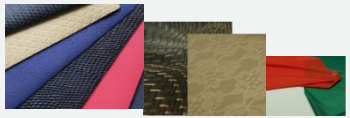
TPU Film and membrane
PU Synthetic leather
PVC Furniture and furnishings materials

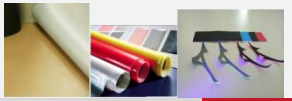
Shoe industry, leather goods industry, garment industry, outdoor equipment, medical applications, life-saving protection, defense industry, automotive industry, etc.

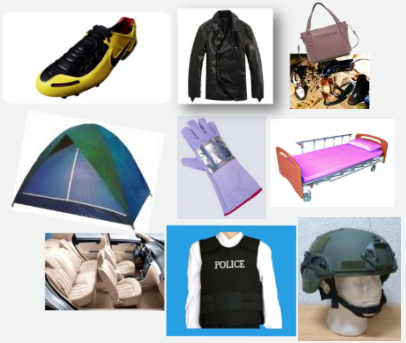
**NIKE、ADIDAS、ASCIS、MIZUNO、UA、NB UN**

信立化學工業股份有限公司 HSIN-LI CHEMICAL INDUSTRIAL CORP.

普大應用材料股份有限公司 PONY LEATHER CORPORATION







# 1.4 Company Introduction - Main Products

01

## One-Component Resin (AT Series)

Usage: Primarily used in the production of synthetic leather for making shoes, bags, sofas, and consumer goods such as clothing.

02

## Two-Component Resin (BD Series)

Usage: Various adhesives designed for bonding fabrics, films, PU synthetic leather, PVC synthetic leather, as well as bonding of leather, nylon fixation, and various fiber adhesion applications.

03

## Water-Based Resin (WT Series)

Usage: Solvent content below 5%. Environmentally friendly resin that complies with environmental trends worldwide.

04

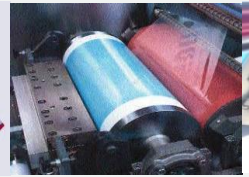
## Wet Resin (CP Series)

Usage: Mainly used in the production of synthetic leather for making shoes, bags, sofas, and consumer goods such as clothing. Applied in the wet production process.

05

## Nylon Resin (EN Series)

Usage: Mainly used in the production of waterproof nylon fabric for items such as raincoats, suitcases, tents, etc.

06

## Surface Treatment Resin (TG Series)

Usage: Primarily employed for surface treatment in order to enhance product hardness, smoothness, brightness, etc.

07

## Crosslinking Agent (BL Series)

Purpose: Crosslinking agent for two-component PU resin and acrylic resin.

08

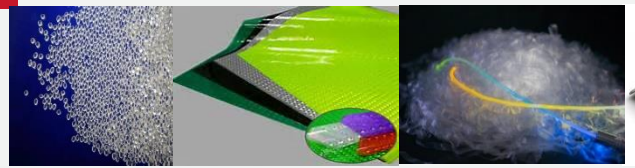
## Wet-curing reaction type hot melt adhesive (WP series)

Application: Textile bonding (fabric/fabric, fabric/film), paper products, non-woven fabric, woodworking, PU synthetic leather, foam sponge, metal sheet lamination, and construction adhesive for structural bonding and sealing.

09

## Polyester polyol

Applications: TPU, Synthetic Resin Materials



10

## Thermoplastic Polyurethane Elastomer (TPU)

Applications: Footwear, Hot Melt Adhesives, Rollers, Pipe, Adhesives, Synthetic Leather, Cables, Film, and other fields.

11

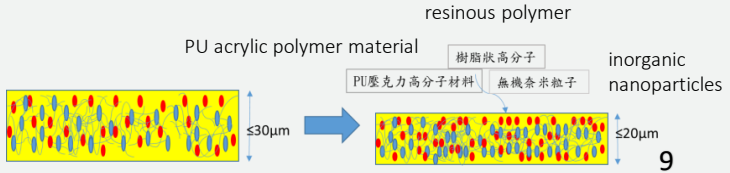
## High-performance Polymer Composite Materials

Applications: Primarily developed for high-performance polymer composite materials with excellent conductivity, antistatic properties, and effective heat dissipation

12

## Material for Wear-resistant Coating on AMOLED Display Surfaces

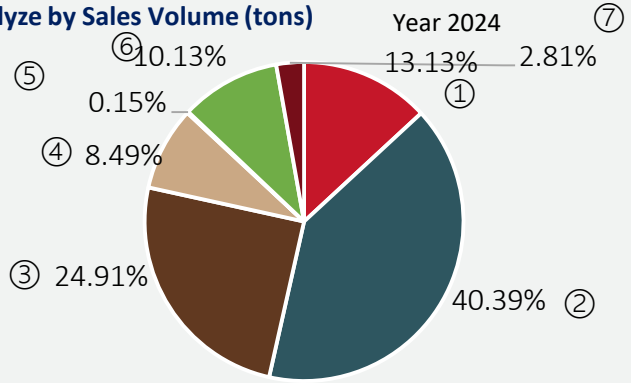
Purpose: Thin-folding hard material development formula optimization.

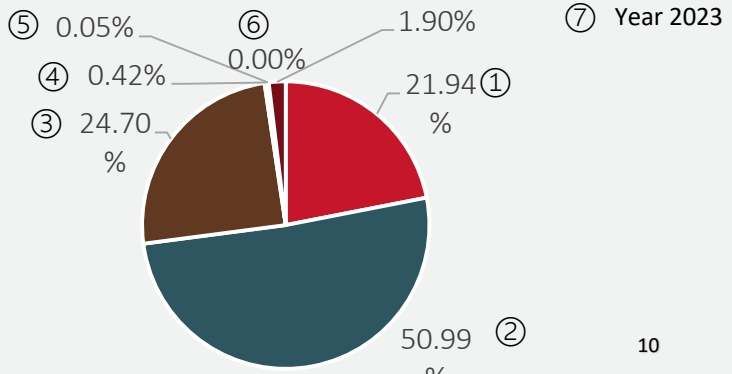


# 1.5 Company Introduction - Main Product Applications and Industries

| Industrial Sector | Intended Use Explanation |
|---|---|
| ①Sports Shoes | Oil-based surface, primer, and wet resin. |
| ②Products Related to Sports Shoes | POLYOL Finished Product, Stiffener, Shoe Adhesive |
| ③Breathable Membrane for Clothing | Waterproof and Moisture-permeable Resin and Breathable Membrane |
| ④Environmentally Friendly Material, Water-based, High Solid Content, Solvent-Free | Water-Based High-Solid and Solvent-Free Resin |
| ⑤Hard Coating Film | Optimization of Formulation for Development of Thin Foldable Rigid Materials |
| ⑥Environmental-friendly Additives | Pollution-free and Non-corrosive Chemicals for System Maintenance and Cleaning |
| ⑦Miscellaneous | Bicycle seat cushion, handlebar grips, gloves, furniture |

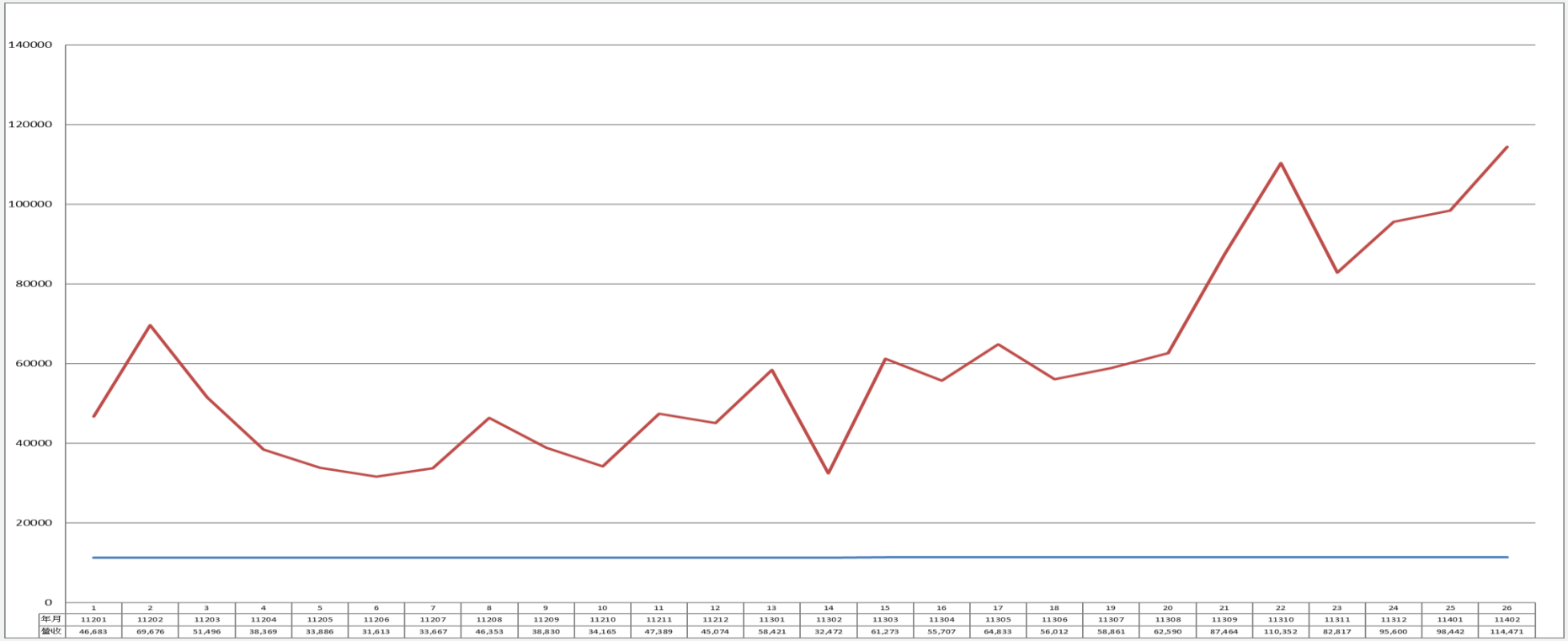
**Analyze by Sales Volume (tons)**



## 2.1 Analysis of Operating Status - Revenue Trends

The revenue for 2024 increased compared to the same period last year, mainly due to the return of customer orders, sales of new products, and the increase in consolidated revenue from acquired subsidiaries.

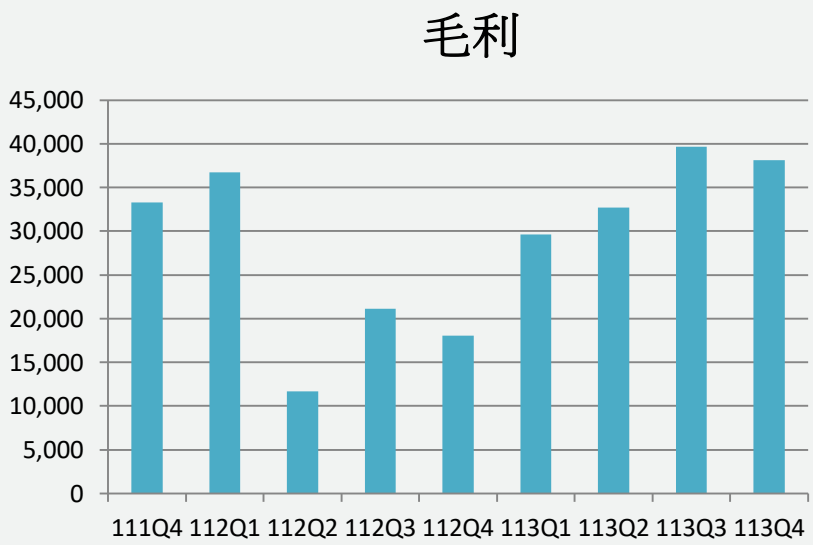



| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 年月 | 11201 | 11202 | 11203 | 11204 | 11205 | 11206 | 11207 | 11208 | 11209 | 11210 | 11211 | 11212 | 11301 | 11302 | 11303 | 11304 | 11305 | 11306 | 11307 | 11308 | 11309 | 11310 | 11311 | 11312 | 11401 | 11402 |
| 營收 | 46,683 | 69,676 | 51,496 | 38,369 | 33,886 | 31,613 | 33,667 | 46,353 | 38,830 | 34,165 | 47,389 | 45,074 | 58,421 | 32,472 | 61,273 | 55,707 | 64,833 | 56,012 | 58,861 | 62,590 | 87,464 | 110,352 | 82,817 | 95,600 | 98,442 | 114,471 |

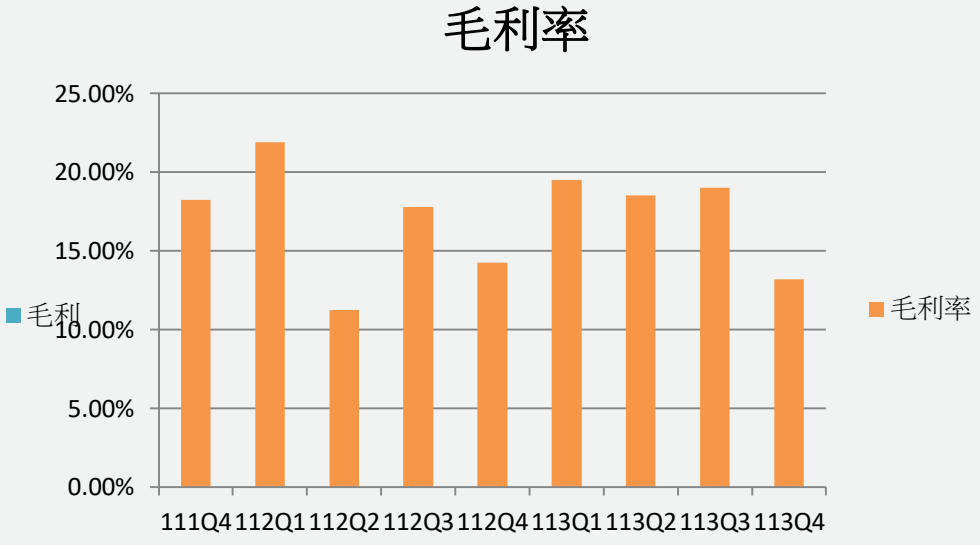
# 2.2 Analysis of Operating Status - Gross Profit Margin Trends

The increase in quarterly gross profit was mainly due to the rise in revenue. The improvement in gross margin reflects a reduction in raw material costs and optimization of the product mix.

Gross Profit

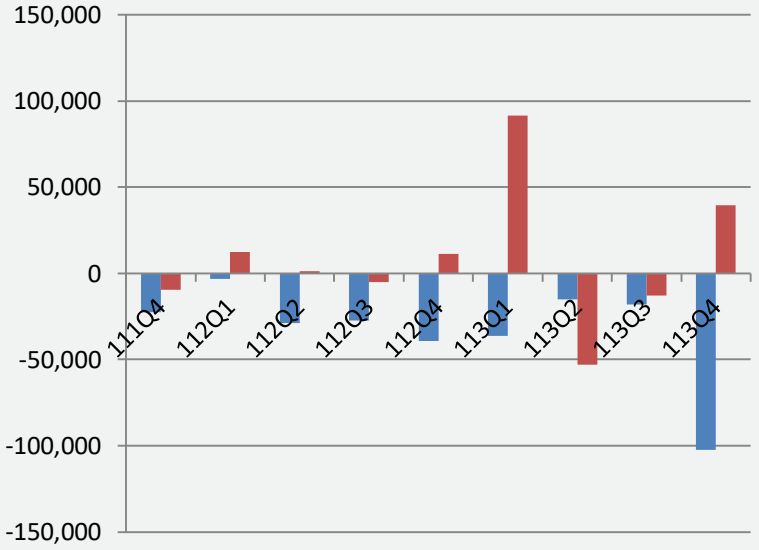


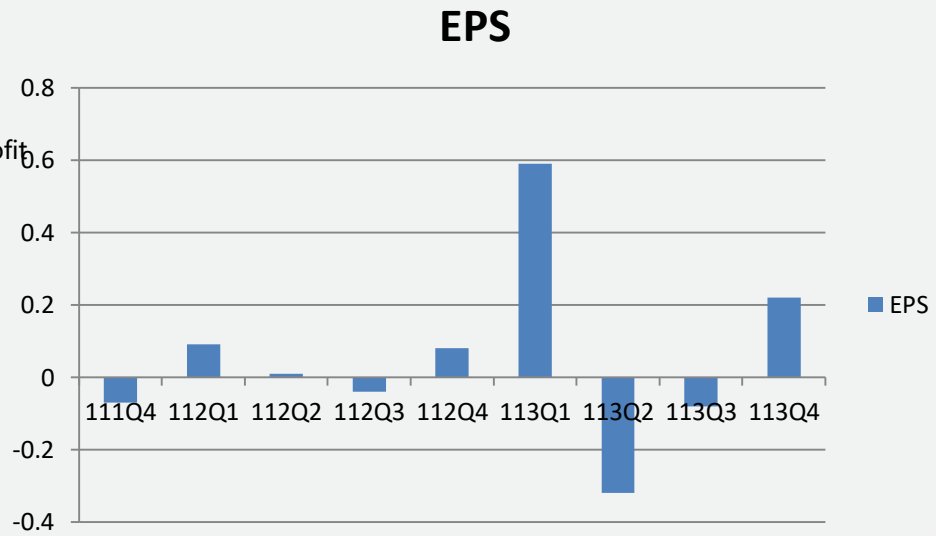

Gross Profit Margin



## 2.3 Analysis of Operating Status - Profit Trends

In 2024, revenue and gross profit increased due to the return of customer orders. Additionally, the recognition of unrealized valuation gains on investment securities from affiliated subsidiaries contributed to the increase in net profit for the period.



# 2.3 Analysis of Operating Status -Consolidated Statement of Comprehensive Income

| | Year2024 | Year2023 | YOY |
|---|---|---|---|
| Operating Revenue | 825,783 | 516,505 | 59.88% |
| Operating cost | 685,661 | 428,978 | |
| Gross Profit（or Loss) | 140,122 | 87,527 | 60.09% |
| Gross margin | 16.97% | 16.95% | |
| Operating expenses | 311,819 | 186,116 | |
| Operating profit（or Loss) | (171,697) | (98,589) | - |
| Non-operating income and expenses | 920,931 | 174,356 | |
| Income before Tax（or Loss) | 749,234 | 75,767 | 888.87% |
| Income tax expense（or benefit) | 20,850 | 3,019 | - |
| Net Income (Loss) | 728,384 | 72,748 | 901.24% |
| Profit (loss), attributable to owners of parent | 64,924 | 19,886 | 226.48% |
| Basic earnings per share（NT Dollar) | 0.38 | 0.14 | 171.43% |

## 2.3Analysis of Operating Status - Consolidated balance sheet

| | 2024/12/31 | 2023/12/31 |
|---|---|---|
| Current assets | 6,361,811 | 3,686,582 |
| Non-current assets | 3,554,828 | 2,624,233 |
| Total assets | 9,916,639 | 6,310,815 |
| Current liabilities | 3,251,156 | 2,217,418 |
| Non-current liabilities | 222,467 | 162,523 |
| Total liabilities | 3,473,623 | 2,379,941 |
| Capital stock | 1,776,872 | 1,421,145 |
| Additional paid-in capital | 332,685 | 143,769 |
| Retained earnings | 169,447 | 104,653 |
| Other equity interest | -69,058 | -114,999 |
| Treasury stock | | -5,983 |
| Total equity attributable to owners of parent | 2,209,946 | 1,548,585 |
| Total equity | 6,067,261 | 3,930,874 |
| Net Asset Value per Share(NTD) | 12.44 | 10.90 |
| | | |
| Current ratio | 195.68% | 166.26% |
| Debt ratio | 35.03% | 37.71% |

# 3.1 Future Development (1) - ESG as an Indicator of Corporate Sustainable Development

## 社會責任（S，social）

U-BEST aims to ensure that suppliers fully comply with applicable laws and adhere to internationally recognized environmental, social, and corporate governance standards (ESG standards) by signing the "Supplier Code of Conduct" with them.

In terms of employee care responsibilities, we are committed to safeguarding employee rights, encouraging innovation, and fostering learning. It is our responsibility to establish a harmonious working environment between labor and management, providing employees with comprehensive benefits and educational training.

In terms of social engagement, we actively participate in social welfare activities. We serve as advisors for the local Changxing Temple Emergency Relief Charity Foundation, supporting orphan care and contributing to emergency relief funds. Additionally, we have long been involved as advisors for the local volunteer fire brigade and sponsor their participation in firefighting and disaster prevention drills, Recently donated OERTZEN HDL 200 high-pressure fine mist equipment to the Tainan City Government Fire Bureau. as well as related awareness campaigns.

U-BEST also collaborates with the Joyful Angel Social Welfare Foundation to provide employment opportunities and more.





## 環境保護（E，environment）

Developing water-based non-toxic products to reduce carbon emissions from raw materials and manufacturing processes.

Replacing old and outdated boilers, switching from heavy oil to natural gas as fuel to reduce direct carbon emissions.

Waste sorting and energy resource management.

In 2023, investments were made to establish self-built solar power systems totaling 2,302KW at the HSINLI Fourth plant and the U-BEST Anding plant.

In 2024, around 400KW of additional solar power capacity will be installed at the MaDou Plant.

The total installed capacity of the solar power system will reach 2,702 KW.

## 公司治理（G，governance）

We adhere to transparent operations, prioritize shareholder rights, and believe that a sound and efficient board of directors is the foundation of good corporate governance.

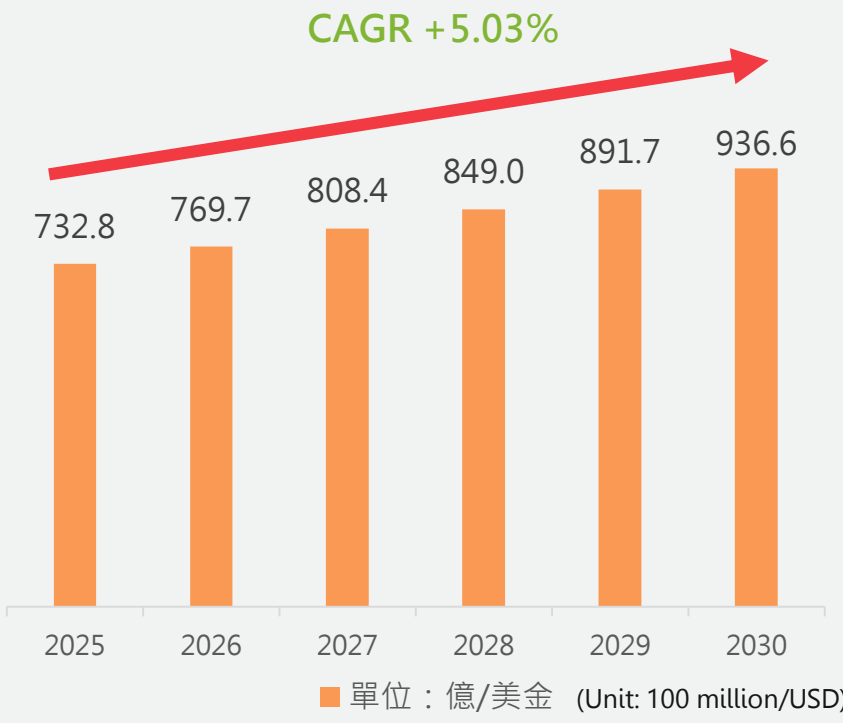
## 3.1 Future Development (1) -Major sports industry manufacturers have gradually reduced inventory, which will help boost order demand in the future.


NIKE End-of-quarter inventory levels(Unit: 100 million/USD)


Adidas End-of-quarter inventory levels(Unit: 100 million/EUR)

Reference： https://finguider.cc/Article/ArticleIndex/1246

## Global water-based resin market size




The global water-based resin market is expected to grow from $732.8 billion in 2025 at a compound annual growth rate (CAGR) of **5.03%,** reaching over $936.6 billion by 2030.

In response to the issues of net zero carbon emissions and environmental sustainability, compared to oil-based products, the use of water-based products can reduce the harm of solvents to human health and the environment, as well as lower carbon emissions. This trend is driving the future development momentum in the water-based coatings sector. In terms of applications, water-based products are widely used in fields such **as packaging, automotive, industrial**, and **construction**.

Reference： https://www.gii.tw/report/ksi1604551-waterborne-resins-market-forecasts-from.html

# 3.1Future Development (1) -Direction of PU Related Product Development

**The new product plan focuses on European eco-friendly water-based products. Order production is scheduled to begin in Q2 of last year. Additionally, a 6-ton reaction tank has been投入, which will double the monthly production capacity. From Q3 to Q4 of last year, production capacity grew significantly, and shipments in 2025 are expected to see a notable increase.**

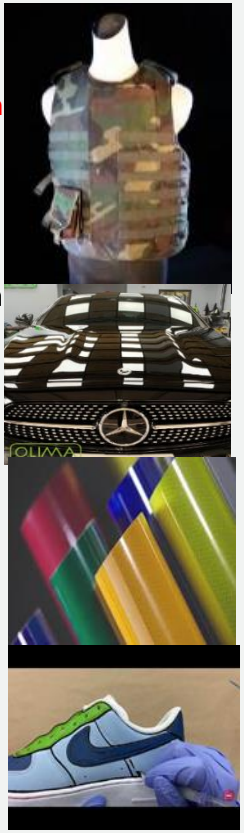
Due to the rising environmental awareness, eco-friendly water-based and high-solids, solvent-free PU resins are being developed by customers. Water-based eco-friendly resins have significantly grown compared to the past. They are widely used in sports footwear materials, automotive, furniture, electronic materials, fitness equipment, apparel, and more. Additionally, water-based foam coating will be applied to sports footwear substrates and apparel. Close collaboration with customers is underway to develop mass production samples, and plans are in place to invest in new equipment.

The original polyester products have been developed and mass-produced with major domestic manufacturers. New products are also undergoing continuous validation. In addition to the existing equipment capacity, plans are being evaluated to invest in a 10-ton reaction tank, which will increase monthly production capacity to meet future customer demand.

Under the national defense self-manufacturing policy, bulletproof fiber-related products are being developed in collaboration with customers. In addition to small-volume shipments, new products are gradually being ordered and verified.

Collaborating with the subsidiary to develop sports footwear-specific dyes in metallic colors to meet the demands of major global brands.

Flexible HC materials are now suitable for foldable phones, and in addition, we are collaborating with customers to develop optical films to meet applications on smartphones.



# 3.2 Future Development (2)- Direction of Flexible OLED Development

Chart 1: Estimated Global Shipments of Foldable Smartphones
圖一、全球折疊式手機2021~2027 年出貨量預估

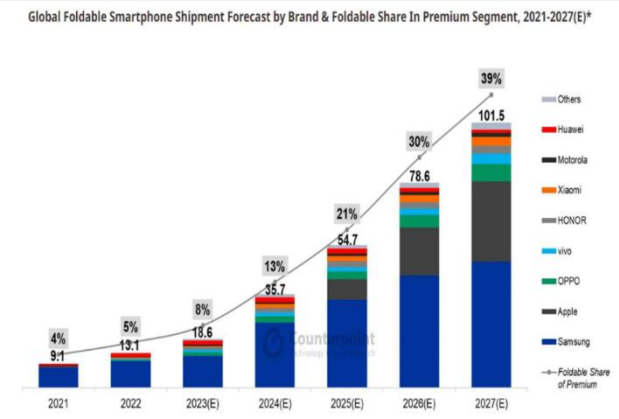
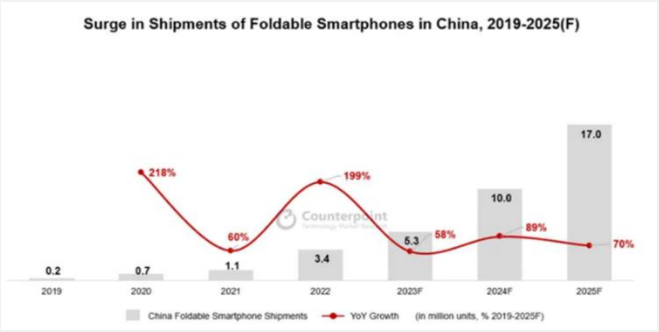



Chart 2: Shipments of Foldable Smartphones in China from 2019 to 2025.
圖二、2019~2025 年中國摺疊手機出貨量




Outside of the Apple ecosystem, foldable smartphones have emerged as a new battleground in the smartphone market. Samsung has consistently been the leader in the foldable smartphone market. In September, Huawei launched the Mate X5 foldable device, priced at approximately **74,500 TWD** per unit, making it the most expensive smartphone in history. This has sparked significant discussion and interest in the foldable smartphone market.

By 2027, global shipments of foldable smartphones are projected to surpass 100 million units. According to estimates from Counterpoint Research, the global foldable smartphone market's shipment volume will grow steadily from **13 million** units in 2022. It is expected to reach the milestone of over **100 million** units in 2027, with the penetration rate increasing from 5% in 2022 to 39%. Samsung, the pioneer in foldable smartphones, will continue to dominate the market, while Chinese smartphone brands will also enter the market gradually. As for Apple, whether and when they will officially enter the foldable smartphone market remains one of the key points to observe in the future.

## 3.2 Future Development (2)-Direction of Flexible OLED Development

**The new generation display protector film combines both flexibility and hardness, providing excellent impact and scratch resistance.**

Not only in smartphones or computers, but also in automotive dashboards, display screens, and even advertising walls in department stores, there is a growing demand for transparent displays with flexible properties. However, the application scope of displays may be limited by the condition of their materials.

The next-generation durable impact-resistant display protector film consists of three different material layers, akin to a "sandwich". **The first layer is a surface anti-fog and scratch-resistant hard coating material (Hard Coating, HC), which prevents fogging at low temperatures.** The middle layer is a highly rigid and flexible transparent film, providing both the hardness of glass and the flexibility of plastic, allowing it to bend without breaking. The bottom layer is a high-damping transparent shock-absorbing material capable of withstanding impacts from a 135g/35cm ball drop test (equivalent to a half pear falling from the height of 3 cans of canned cola), designed to protect the underlying Mini-LED or OLED emitter. Through the combination of high damping and high rigidity materials, this structure achieves stress support and dispersion effects, providing optimal protection for the display.


Source: Article from the Industrial Development Bureau, Ministry of Economic Affairs.
New Electronics Technology Magazine

According to market research statistics, the global flexible display market was valued at **$25.235 billion** in 2024, and it is expected to reach **$123.49 billion** by 2030, with a compound annual growth rate of nearly 40%. As smart devices in the future shift towards interactive, touch-based applications, it becomes crucial to make transparent display modules scratch-resistant, wear-resistant, and impact-resistant. This will enhance the overall environmental durability and operational reliability of the display, which is particularly important for applications in automotive, wearable, and outdoor sectors.

# 3.3 Future Development (3)-Proposal for Redevelopment of Aging Buildings

| Area | Location | Project Type | Project Assessment |
|---|---|---|---|
| Lixiang Area (Hokkyu-Tei) | Near 13, Lane 86, Yiji Street, Annan District, Tainan City. | condominium  | The site of this project is flat, located opposite a park, and adjacent to luxurious standalone houses and a plot of land that passed the "Commercial 60" urban planning review in August 2017. Moreover, the convenience of transportation to and from the city center and the proximity to the Haitian Road commercial district ensure that we can develop diverse and well-sized two-bedroom and three-bedroom units here. The potential for future appreciation is unlimited, making these advantages of the project. |
| Dong-an Area (Chang Jung Taishan) | 32 Lane, Alley 46, Section 2, Changrong Road, East District, Tainan City | condominium  | This project is located in the East District of Tainan City, with convenient access to the city center. It boasts a comprehensive array of public facilities, excellent transportation, and well-rounded living functions. It is also close to major amenities such as the Nangang Shopping Center, National Cheng Kung University, Chang Jung Senior High School, and Shengli Elementary School, all of which contribute to the advantages of this project. |
| North Xiaoxin Section (Core of the City) | Land Parcel No. 0346-0000, North Xiaoxin Section, Shanhua District, Tainan CityNo. 511, Sunshine Avenue, Shanhua District, Tainan City (Reception Center) | condominium  | This land is flat and well-shaped, with the added advantage of being only six minutes to downtown Shanhua. It is also within a 10-minute drive to the Southern Taiwan Science Park via National Highway No. 3. The location is close to key amenities such as Shanhua Train Station, Xiaoxin Elementary School, Jiapu Elementary School, Nanke Experimental Junior High School, and Shanhua High School, all of which are strong advantages for this project. |

4.1 Summarize

# Our company expects to have five growth drivers in 2025. :

01

Under its portfolio, the two major real estate projects, Changrong Taishan and Hejiu Jing, are entering the peak season for completion and handover, which will contribute to operational growth in 2025. Additionally, the newly launched project, 'Core of the City,' is currently in active pre-sale.

02

The mass production of eco-friendly water-based products for European customers will inject stable production capacity growth into the company's long-term orders.

03

Mobile manufacturers are aggressively promoting foldable phones, with new products undergoing continuous validation. This will create opportunities for the shipment of flexible HC materials.

04

The development of new products in bulletproof fiber, eco-friendly water-based, and solvent-free resins will contribute to revenue and profit growth.

05

Vertically integrating with group companies to develop sports footwear materials that meet the demands of major brands.

# Thank You

Company website

https://www.u-best-inno.com/

ESG Corporate Social Responsibility Sustainable Report for the Year 2022https://drive.google.com/file/d/1de_LT4ndLJHYWkImNtKFLySxz4Id__RA/view